



**ARIZONA STATE SENATE**  
*Fifty-Second Legislature, Second Regular Session*

**FINAL REVISED**  
**FACT SHEET FOR H.B. 2172**

planned communities; architectural designs; approval

Purpose

Prohibits an association or design review committee from unreasonably withholding approval of architectural designs, plans and amendments for a construction project.

Background

An *association* is a nonprofit corporation or unincorporated association to which all the owners of lots in a planned community must belong. An association is organized under a declaration to own and operate portions of a planned community. A *planned community* is a real estate development that: a) includes real estate owned and operated by a nonprofit corporation or unincorporated association of owners; and b) is created pursuant to a recorded declaration for the purpose of managing, maintaining or improving the property. In a planned community, the owners of separate lots, parcels or units are mandatory members of the association and are required to pay assessments. A planned community does not include a timeshare plan or a timeshare association (A.R.S. § 33-1802).

Statute outlines the membership, review and reporting duties of design review and architectural review committees in planned communities. For new construction or rebuilding of the main residential structure on a lot in a planned community that has enacted design or architectural guidelines, or other similar rules and if the association requires a security deposit, all of the following apply: a) the prescribed instructions relating to a security deposit; b) final design approval meeting requirements; c) on-site formal review requirements; d) written notice requirements and the required release of deposit monies; and e) the approval of actual construction does not constitute compliance with applicable government requirements (A.R.S. § 33-1817).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Stipulates an association or design review committee cannot unreasonably withhold approval of a construction project's architectural designs, plans and amendments.
2. Becomes effective on the general effective date.

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House Action

|                      |         |    |        |
|----------------------|---------|----|--------|
| GHE                  | 1/28/16 | DP | 9-0-0  |
| 3 <sup>rd</sup> Read | 2/11/16 |    | 55-4-1 |

Senate Action

|                      |         |    |        |
|----------------------|---------|----|--------|
| GOV                  | 2/24/16 | DP | 7-0-0  |
| 3 <sup>rd</sup> Read | 3/24/16 |    | 27-2-1 |

Signed by the Governor 3/30/16

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Prepared by Senate Research

April 5, 2016

RH/JO/rf